



Minutes for Board of Directors Meeting

06/27/2022 | 09:05 AM - 10:10 AM - Eastern Time (US and Canada)

2831 Talleyrand Avenue, Jacksonville, FL 32206

Board Members Attending:

Ms. Wendy Hamilton, Chairwoman
Mr. Palmer Clarkson, Vice Chairman
Mr. Daniel Bean, Treasurer
Mr. Brad Talbert, Secretary
Mr. Jamie Shelton, Member
Mr. Ed Fleming, Member

Absent: Mr. Ceree Harden, Member

Other Attendees:

Mr. Eric Green, Chief Executive Officer
Ms. Beth McCague, Chief Financial Officer/Chief of Staff
Ms. Linda Williams, Chief, Adm. & Corporate Performance
Mr. Nick Primrose, Chief, Regulatory Compliance
Mr. James Bennett, Sr. Director, Engineering & Construction
Mr. Robert Peek, Director & GM, Business Development
Mr. Mike McClung, Director of Finance
Mr. Reece Wilson, Office of General Counsel
Ms. Rebecca Dicks, Board Liaison

Agenda

A meeting of the Jacksonville Port Authority Board of Directors was held on Monday, June 27, 2022 at the Port Central Office Building, 2831 Talleyrand Avenue, Jacksonville, Florida. Chairwoman Wendy Hamilton called the meeting to order at 9:05 a.m. and welcomed all attendees. Board Member Daniel Bean led the audience in the Pledge of Allegiance and a moment of silence. Chairwoman Hamilton also acknowledged and welcomed special guests from Trailer Bridge and the Puerto Rico Ports Authority.

Approval of Minutes - Board of Directors Meeting - April 25, 2022

Chairwoman Hamilton called for approval of the April 25, 2022 Board of Directors Meeting Minutes.

After a motion by Mr. Fleming and a second by Mr. Bean, the Board unanimously approved the minutes as submitted.

Public Comments

Chairwoman Hamilton called for comments from the public. There were no public comments.

Presentations

Milestones:

Mr. Derrick Lewis recognized Horace Cathey, Public Safety Compliance Officer, for reaching his 10-year milestone and thanked him for his service.

Mr. James Bennett recognized Ken Page, Manager, Terminal Operations, for reaching his 10-year milestone and thanked him for his service.

New Business

AC2022-06-01 Design Services for T-Berth Modifications to Berth 20 BIMT - Taylor Engineering

Mr. James Bennett presented this submission for Board approval of a contract to Taylor Engineering in the amount of \$1,262,278.50 for design services for T-Berth modifications to Berth 20 at Blount Island Marine Terminal.

After a motion by Mr. Talbert and a second by Mr. Bean, the Board voted to approve this submission.

AC2022-06-02 Cathodic Protection Systems Berths 16 & 17 – DPMT Coastal Gunite Construction Company

Mr. James Bennett presented this submission for Board approval of a contract to Coastal Gunite Construction Company in the amount of \$687,498.72 for installation of Cathodic Protection Systems on Berths 16 & 17 at Dames Point Marine Terminal.

After a motion by Mr. Bean and a second by Mr. Clarkson, the Board voted to approve this submission.

AC2022-06-03 Terminal Development for SET Phase 1 Building Demolition – BIMT – Realco Recycling Co., Inc.

Mr. James Bennett presented this submission for Board approval of a contract to Realco Recycling Co., Inc. in the amount of \$547,999 for Terminal Development for SET Phase 1 Building Demolition.

After a motion by Mr. Bean and a second by Mr. Talbert, the Board voted to approve this submission.

AC2022-06-04 Purchase of Four (4) Pre-Assembled Festoon Systems (Hanjung Crane) – Conductix Wampfler

Mr. James Bennett presented this submission for Board approval of a contract to Conductix Wampfler in the amount of \$1,007,998 for the purchase of four (4) pre-assembled festoon systems for Hanjung Cranes at Talleyrand and Blount Island Marine Terminals.

After a motion by Mr. Bean and a second by Mr. Clarkson, the Board voted to approve this submission.

AC2022-06-05 Purchase of Six (6) Caterpillar 3516B Diesel Generator Sets (Used) – Power System Services

Mr. James Bennett presented this submission for Board approval of a contract to Power System Services in the amount of \$1,650,000 for the purchase of six (6) Caterpillar 3516B Diesel Generator Sets, subject to satisfactory inspection by a JAXPORT official.

After a motion by Mr. Bean and a second by Mr. Clarkson, the Board voted to approve this submission.

BD2022-06-01 Proposed Operating & Capital Budget for FY2023

Ms. Beth McCague presented this submission for Board approval of JAXPORT's proposed FYE2023 Operating and Capital Budget as presented and its submission in the appropriate format to the Finance Committee of the Jacksonville City Council. This submission was approved earlier by the Audit Committee and recommended for approval by the full board.

Chairwoman Hamilton asked Palmer Clarkson, Chair of the Audit Committee, if he would like to add any share some highlights from the Audit Committee's discussion of the budget and any other matters requiring board approval. Mr. Clarkson stated that the Audit Committee did meet earlier this morning and after vigorous discussion they unanimously voted to approve the Proposed Operating and Capital Budget for FY2023. He also thanked Beth and her team for putting this budget together in a tough year.

After a motion by Mr. Bean and a second by Mr. Fleming, the Board voted to approve this submission.

Mr. Clarkson continued by stating that the Audit Committee also met on the CEO Contract Review and Extension. He stated that after much discussion by the Audit Committee, they feel lucky to have Mr. Green at JAXPORT and they really appreciate his dedication, understanding, and hard work. He continued by stating that the Audit Committee voted on Mr. Green's contract extension and they unanimously agreed to extend his contract through fiscal year 2027 which would give him a five-year

extension. The committee also agreed that the CEO's base pay will be increased by 10% in fiscal year 2023 and 5% in 2024. The Audit Committee also increased the bonus percentage that was capped at 25% to 35% based on the CEO achieving his goals. The Audit Committee felt this is a very fair extension compared to his peers and compared to the industry.

After a motion by Mr. Bean and a second by Mr. Fleming, the Board voted to approve the update to the CEO's contract.

BD2022-06-02 Memorandum of Agreement with JEA

Mr. Nick Primrose presented this submission for Board approval authorizing the CEO, or his designee, to execute a Memorandum of Agreement between the Jacksonville Port Authority and the Jacksonville Electric Authority whereby JAXPORT will be responsible for securing the estimated \$42 million needed for installing new towers to raise the Fulton Cut tower lines over a portion of the St. John River. Raising the lines will allow bigger ships to call on JAXPORT.

After a motion by Mr. Bean and a second by Mr. Talbert, the Board voted to approve the Memorandum of Agreement with JEA.

BD2022-06-03 Trailer Bridge Renewal of Lease on Blount Island

Ms. Linda Williams presented this submission for Board approval of a lease renewal with long-time tenant Trailer Bridge to continue to use Blount Island for its Puerto Rico shipping operations through January 2041.

After a motion by Mr. Bean and a second by Mr. Fleming, the Board voted to approve the renewal of Trailer Bridge's lease on Blount Island.

Chairwoman Wendy Hamilton thanked guests from Trailer Bridge and the Puerto Rico Ports Authority for attending the Board meeting and also thanked them for their continued partnership. She stated that Puerto Rico has been critical to JAXPORT's success as it has grown into one of the nation's top seaports for the import and export of goods.

CEO Update

Mr. Green began his update by thanking the Board for extending his contract and stating that he is very grateful and appreciative of the opportunity to continue as CEO of JAXPORT.

Mr. Green stated that the port celebrated a significant milestone with the completion of the Harbor Deepening Project last month. Since a few of the Board members were unable to attend the ceremony, he shared a brief video of the event.

Mr. Green informed the Board members that today's meeting would be the final Board meeting in the Boardroom as it is currently configured. The JAXPORT team who redesigned the lobby and Executive Conference Rooms will begin demotion immediately following this meeting. The new modern room will be larger and include a new dais and seating for the audience. Since the boardroom will be out of service for a few months, the August Board meeting will be held upstairs and the construction schedule for completion of the new design should be finished by September.

At this time, Mr. Green recognized special guests Nancy Quinones from the Puerto Rican and Hispanic Chamber of Commerce and Joel Piza-Batiz from the Puerto Rico Ports Authority who traveled all the way from San Juan to attend this meeting.

Mr. Green then turned the meeting over to Trailer Bridge CEO Mitch Luciano. Mr. Luciano stated that Trailer Bridge's partnership with JAXPORT began more than 30 years ago and that this lease renewal celebrates the next chapter in Trailer Bridge's commitment to serve the island of Puerto Rico. He stated that Trailer Bridge is very proud to be a critical piece of the supply chain that delivers the goods our neighbors on the island need in their everyday lives.

Mr. Joel Piza-Batiz, Executive Director for the Puerto Rico Ports Authority, stated that twenty-two percent of the cargo that moves between Jacksonville and Puerto Rico flows through Trailer Bridge. He stated that this lease renewal continues to strengthen the commercial trade between the city of Jacksonville and San Juan, Puerto Rico.

Reports

R2022-06-01 Engineering and Construction Update

Mr. James Bennett provided an overview of the key capital and engineering projects.

R2022-06-02 Financial Highlights by Beth McCague

Ms. Beth McCague provided Financial Highlights to the Board in their books for the month of May 2022.

R2022-06-03 Financials/Vital Statistics

Mr. Mike McClung provided an overview of the financials and vital statistics.

R2022-06-04 Commercial Highlights

Mr. Robert Peek provided updated commercial highlights to the Board for the month of June 2022.

Other Business

Approval of Travel

After a motion by Mr. Fleming and a second by Mr. Shelton, the Board unanimously approved travel by one or more Board Members of the Authority for business solicitation purposes or to attend any necessary conferences and/or meetings during the month of August 2022.

There were no emergency purchases or unbudgeted transactions.

Adjourn

There being no further business of the Board, the meeting adjourned at 10:10 a.m. and Chairwoman Hamilton invited everyone to attend the signing ceremony between Trailer Bridge, the Puerto Rico Ports Authority and JAXPORT.